

April 5, 2002

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

I am notifying you of my intention not to return House Bill 5118 to you within the 14 days prescribed by the Michigan Constitution (Article IV, Section 33). This legislation reflects flawed policy and the political motivation of its backers instead of sound science. Even more troubling are the long-term, negative ramifications for Michigan's role as guardian of the Great Lakes.

Directional drilling under the Great Lakes has been an environmentally sensitive method of safely tapping necessary energy reserves since the late 1970s. Indeed, my predecessors, both Governor Milliken and Governor Blanchard, granted permits for directionally drilled wells. After 30 years, the record has been one of safety with no damage to the lakes.

Even with this unblemished record, when questions were raised, I imposed a moratorium on new permits and ordered the Michigan Environmental Science Board (MESB) to conduct a comprehensive safety review. The MESB, comprised of leading scientists from throughout the state, concluded that there was virtually zero environmental risk to the Great Lakes, but they did offer several constructive recommendations to enhance environmental protection and land-use issues on the shoreline. The Department of Environmental Quality and the Department of Natural Resources adopted these extra precautionary safeguards.

Despite its undeniable foundation in sound science, directional drilling has become the target of misinformation campaigns waged by special-interest groups. These deliberate distortions misled the media and the public and eventually resulted in legislative passage by wide margins of this bill that has been presented for my signature.

I believe that HB 5118 will not provide any additional protection for our Great Lakes. In the past, more than \$13 million in revenue from these wells has been deposited into the Michigan Natural Resources Trust Fund and used by state and local governments to preserve open space and develop public recreation areas. HB 5118 will actually reduce future revenues that would otherwise be available to protect Michigan's environment.

Michigan's commitment to protect our precious natural resources remains second to none. Our countless environmental and natural resource management successes, however, are due in large part to the traditional willingness of policymakers to separate emotion from sound science. Unfortunately, HB 5118 runs contrary to Michigan's tradition of managing its resources based on the best available science.

While the Michigan Legislature is not alone in making this mistake, at least it is the appropriate body to make it. As you know, the U.S. Senate also adopted an amendment to a multi-billion dollar appropriations bill to temporarily ban the issuance of state permits for directional drilling. Without debating the possible legal implications of this congressional action, in my mind another grave concern is raised. Has unwarranted congressional interference set the stage for future federalization of other state natural resources, including the waters of the Great Lakes? I hope that floodgates have not been opened that will allow our clean, clear water to flow to the parched states of the South and West. Ceding control to Washington means that once the Washington spigot is opened, it will never be closed again.

I am also very concerned that this legislation is directly contrary to our nation's goal of achieving energy independence. After years of neglect, the United States is developing a comprehensive energy policy that will decrease our reliance on foreign sources of energy. Arbitrarily closing off domestic supplies is inconsistent with our national objective.

Supporters of HB 5118 argue that the oil and gas reserves beneath the Great Lakes are insignificant on a national scale. Yet the same argument is made for many other individual energy reserves. The cumulative effect of denying access to all of these potential energy sources could be harmful for America in the long term.

The bottom line is that banning additional directional drilling has no justification from scientific, environmental or economic rationales. Doing so only tarnishes the legislative process, needlessly robs the Michigan Natural Resources

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Trust Fund of precious revenue, and casts a shadow over the future of Michigan's distinguished leadership in exercising reasoned state-based resource management.

I know that supporters of this legislation claim that this is a victory for the Great Lakes. If it is, it is a hollow one, for this governor does not consider it a victory for Michigan when sound science and well reasoned public policy are set aside.

So given my criticism, why let the bill become law without my signature? The answer is simple. No candidate for governor should be able to run for office claiming that they will sign this measure and be given credit by the public for having an environmental policy for Michigan's future. Let the debates begin but not over this nonissue.

Sincerely,

John Engler
Governor

JE/bm

cc: The Honorable Candice Miller, Secretary of State
Michigan Senate